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ANTITERRORIST SQUAD ESTABLISHED BY RCMP FOR ECONOMIC SUMMIT

Toronto THE GLOBE AND MAIL, NATIONAL EDITION in English 19 Jun 81 p 5

[Text]

OTTAWA — A special RCMP anti-terrorist squad has been set up and is engaging in military-style training in preparation for the economic summit here next month, Solicitor-General Robert Kaplan said yesterday.

The special squad is a temporary unit drawn from Mounties across the country who are being trained in sharpshooting and storming barricades. It will disband after the July 20-21 meeting of the leaders of the seven Western powers, Mr. Kaplan said in an interview.

The new squad is receiving some specialized training from other allies, including Britain's crack SAS, the commando unit that stormed the Iranian Embassy in London a year ago and shot up the terrorists there while freeing a number of hostages.

The establishment of the team within the RCMP breaks with long-standing Government policy but Mr. Kaplan said the decision was taken to use the Mounties rather than the military because the RCMP is handling VIP security for the summit and its communication systems and international information networks on terrorist whereabouts are more finely tuned for the short run.

The federal Government has traditionally tried to develop such a squad within the army's airborne unit because anti-terrorist measures are usually more cold-blooded and militaristic than normal police actions and training.

The decision to establish an RCMP unit of this type was taken quite recently, but before the gun attacks on President Ronald Reagan and the Queen, the Solicitor-General said.

Only a few months ago he told The Globe and Mail that more intensive consideration was being given to setting up a crack assault force of military personnel because "the RCMP has a much smaller base to draw from in terms of finding crack shooters, bomb-defuser and assault teams."

Over the past four years the federal Government has established an elaborate crisis centre to handle possible terrorist incidents but has been hampered to some extent by lack of funds to the anti-terrorist squad and jurisdictional problems in co-ordinating response to attacks.

Quebec, where the leaders will be meeting for at least one of the days at the resort village of Montebello, has reportedly retained a federal co-ordinating role in this

area, arguing that the province where the attack takes place should have the sole responsibility in deciding on a course of action.

In the federal hierarchy, the Solicitor-General has been given the ministerial responsibility for organizing a response to terrorist incidents but exercises this responsibility in consultation with the Defence Minister for domestic incidents and the External Affairs Minister for incidents involving a Canadian embassy or diplomat outside the country.

LAENDER GIVE VIEWS ON PROPOSED ENERGY PROGRAM

Bonn DIE WELT in German 27 Apr 81 p 11

[Article by Heinz Heck: "The Waste Heat Tax Represents an Unjustifiable Cost Burden"]

[Text] The Federal Laender are coming forward to speak on the third projection of the Federal Government's energy program, which is to be completed in the fall. Among the focal points which the work group "energy policy" of the conference of economic ministers would like to reestablish when stock is taken are above all reliable political supporting conditions for the supplying of energy.

The energy program must indicate which measures are necessary in the short and medium terms and make possible a long-term goal orientation.

Political and legal obstacles to investment which have prevailed for years should "be abolished immediately." Above all legal uncertainties in the approval procedure for power plants should be removed, the cost should be limited to a reasonable level, and the length of the procedure should be reduced to a calculable time period.

Reducing the dependence on oil through substitution and saving should be a top priority energy policy goal. Especially in the less densely populated areas, where long-distance heating and the provision of natural gas will be economically unfeasible for some time, electric power will have to be introduced into the heating market to a greater degree.

Means compatible with the market should also be predominant in oil substitution, energy saving and rational use of energy. "Projects can be supported, where necessary, that will become economical only in the foreseeable future." Above all the application of new energy technologies should be increasingly supported (tightening of the so-called 4.35 billion program). Special importance is given to the provision of long-distance heat by means of heating facilities using the energy from burning garbage or waste heat. The support should also benefit users.

Electric power should be provided in accordance with increasing demand and at economically justifiable prices. The work group specifies that the present

shortage of power plants able to produce electricity economically during all hours of the day be compensated by the rapid completion of additional atomic power plants. In this regard an absolutely necessary precondition is a timely solution to the problem of the removal of dangerous by-products. The class action suit is seen as unjustifiable.

Extraordinary burdens on power users, such as the coal penny, should be reduced. The rapid breeder (Kalkar) and the high-temperature reactor (Schmehausen) should be completed as soon as possible and put into operation, as long as there are no technical safety considerations. Further initiatives are expected in coal conversion (liquefaction and gasification), not least important with a view to export prospects for German industry.

The ministers find little sense in forbidding the use of heavy heating oil in power plants. Especially in southern Germany there are relatively new oil-fired power plants which are indispensable in meeting peak demand or providing reserve capacity. The construction of coal or atomic power plants can hardly be replaced by forbidding the use of oil. The growing importation of gas is increasingly coming from regions "where supply security is not assured to the same degree as in the case of supplies from West European sources." For this reason the work group, among other things, considers special measures necessary in order to overcome possible supply interruptions.

The waste heat tax favored in SPD circles is clearly rejected. It is seen by the ministers as "an unjustifiable additional cost burden to the economy," rather than as an appropriate means of making possible meaningful use of waste heat under managerial considerations. Particularly in less densely populated areas the tax would lead to unreasonable disadvantages and therefore to an additional regional lack of balance, although the Federal Government ought to create equal living conditions and development opportunities throughout the federal territory.

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CSO: 3103/355

PRODUCTION OF NATURAL GAS HEAT PUMPS EXPANDED

Bonn DIE WELT in German 29 Apr 81 p 18

[Article: "'People's Heat Pump' Closes Gap"]

[Text] The German natural gas business has cooperated with industry since the beginning of the 1970's in the development of gas heat pumps. In this regard three product lines can be distinguished, namely:

1. Compression gas heat pumps based on stationary gas motors. The heating output of these units ranges from about 150 kilowatts to several thousand kilowatts.
2. Compression gas heat pumps based on production-line automobile engines. The heating output of these units is approximately between 50 and 100 kilowatts.
3. Absorption gas heat pumps with less heating output. The heating output is between about 10 and 40 kilowatts.

The large gas heat pumps have undergone the greatest development. The heart of the system is the stationary gas motor, which has successfully been employed in other areas for decades: for example in oil fields, where it attains more than 100,000 operating hours.

Large gas heat pumps are already largely standardized in the marketplace. In the FRG they are offered by leading companies in refrigeration engineering and the motor industry.

The number of these gas heat pumps has increased very rapidly. At the end of 1980 there were already 150 units in use as opposed to 50 units at the end of 1979. In the mid-1980's, according to present forecasts, about 500 to 1,000 units will be introduced into the market annually.

Practical experience accumulated since 1977 in the use of large gas heat pumps fully supports the initially theoretically determined safety factors. Depending on operating circumstances and conditions, fuel savings of between 45 and 65 percent were achieved in comparison with conventional boiler systems.

The areas of application for these units range from the heating of public swimming pools, residential blocks, and administration and industrial buildings to hot and cold preparation for industrial application.

The gas heat pumps with medium heating output differ from the large systems mainly in the installed gas motor. Economic reasons dictated the installation of cost-effective production-line motors, as is done on a large scale in the automobile industry. These motors were modified with a view to better service life and better maintenance characteristics.

These units have also become marketable. By the end of 1980 about 100 heat pumps of this size were in service. The expected market is on the order of about 5,000 units per year starting in the mid-1980's. Areas of application correspond to those of the large systems. Focal points are home building, industry, business administration.

The lower economic threshold for compression gas heat pumps with a medium heating output is about 50 kilowatts. The use of absorption gas heat pumps is generally recommended for supplying heat to structures with a smaller heating requirement, and that includes individual houses and duplexes. For these units have a longer life, lower maintenance and lower noise level in comparison with compression heat pumps.

The development of these "people's heat pumps" is presently being pursued very intensively. Here the emphasis is on minor improvements to the component parts in order to increase their energy efficiency. Progress in development indicates an energy savings on the order of 35 to 45 percent compared with conventional boiler systems.

The first prototypes are already in operation. Delivery of the first models ready for production is expected later this year. Expected sales are in the magnitude of 20,000 to 50,000 installed units per year.

Ruhrgas AG is also involved in absorption heat pumps through its subsidiary, ASK Waermepumpen Gesellschaft in Kilmbach. The ASK gas heat pump has an output of 15 kilowatts. In addition, a conventional heating system with an output of 27 kilowatts is integrated into the unit. The controls are programmed so that the heat pump shuts off at minus 5 degrees centigrade, where the conventional heating system takes over operation.

A special advantage of the unit is that it is delivered ready to assemble. That is, the refrigeration cycle is hermetically sealed at the factory. The installer has only to connect the gas, water and air. For power the unit simply needs to be plugged in.

ASK wants to begin production of the units in the fall of this year so that the first absorption heat pumps can be delivered by the end of the year. An expansion in the program in the direction of smaller as well as larger heating output is foreseen for the heating season 1982-1983. The price for the final consumer will be about DM 14,000 plus added value tax.

Market opportunities for gas heat pumps depend critically upon the further development of these systems to a technically mature product. This condition has to a large degree already been met for large heating outputs.

BAN ON USED OIL FOR HEATING PLANNED

Hamburg DER SPIEGEL in German 4 May 81 p 126

[Article: "High-Quality Stuff"]

[Text] Used oil provides inexpensive heating. But that situation could soon be coming to an end.

So far Wolfgang Dill, automobile dealer in the Bavarian town of Eching, has not regretted the purchase. Three years ago, for just DM 800, he had a used oil heater installed in his workshop. Since then Dill has been getting through the winter on less, because instead of buying 10,000 liters of heating oil, he now burns used motor oil.

Siegfried Landau with the farm machinery company Landau & Eckstein in Marbach on the Neckar is also enthusiastic about the "terrific thermal value" of the lubricant. Since 1975 Landau has been saving 5,000 liters of heating oil annually by heating with used oil.

Other small businesses accumulating a lot of used oil have switched to the cheapest heating in the same way that Dill and the firm Landau & Eckstein have. Especially automotive workshops and service stations have been using the stale stuff in order to avoid the inflation in heating oil prices.

But this middle-class group will not be able to enjoy this situation much longer. For beginning in October of this year Bonn wants to forbid the burning of used oil. Over 20,000 people heating with used oil will have to scrap their equipment and use expensive heating oil.

Because "under some circumstances significantly higher emissions of harmful solid as well as gaseous material can be expected" from burning used oil, the Interior Ministry has decreed the blocking of this priceworthy source.

The environmental argument of ministerial officials is nothing more than a vague suspicion for the manufacturers of used oil heaters. Their authorized expert, Berlin scientist for waste management, Karl J. Thome-Kozmiensky, calls Bonn's argument "absolutely ridiculous." The recycling expert is sure that there are those in Bonn with "one-sided interests" in the 2.4 million tons of used oil available each year in the FRG.

Walter Kroll, used oil heater manufacturer in Kirchberg on the Murr feels that he has been "duped." Bonn's decree has already hurt the Swabian's business, because he can hardly sell his products any more.

It is understandable that the used oil is a source of contention. The exorbitant price rise for heating oil has transformed what was formerly rather bothersome waste material into a valuable substitute raw material. Especially in demand are the approximately 180,000 tons of used motor oil. These motor residues have a heating value equal to that of heating oil.

It is for this reason that the high-grade stuff has become scarce for the '0 German processing companies that refine new lubricants from used oil.

Hans Koehn, chief of the Hamburg oil refinery Weiss and at the same time president of the relevant community of interests Middle Class Oil Refineries Team, is of the opinion that "used oil is much too good to burn."

Through meticulous work in Bonn and close relations with the Federal Environmental Office in Berlin, the used oil refiners were able to win politicians and civil service environmentalists over to their side. "Used oil heating systems pollute the air," they maintain.

The Federal Interior Ministry accepted this thesis largely without verification and, so speculates Professor Thome, without supporting scientific evidence.

The university teacher from the Berlin Technical University concludes that used oil pollutes the air no more than other means of heating. In addition, the scientist believes that the burning of motor oil "as a form of recycling is extremely interesting in the aspect of operating efficiency and is completely acceptable from the viewpoint of environmental effects."

Those reprocessors favored by Bonn seem as yet unsuccessful in disposing of or processing the lubricants as simply or as safely—and that despite the fact that to a large degree the statutory used oil tax removes their entrepreneurial risk.

This tax on motor oil, 11 pfennigs per kilo, must be paid by the motorist and goes for its eventual disposal. The nearly DM 50 million accruing is distributed mainly to the secondary refineries.

But actually the refiners themselves should pay a tax—because of environmental damage.

In reality, according to Thome, the effluents of the secondary refineries cause the "worst environmental damage of all." But not a single used oil processing plant in Europe has an installation for cleaning up its effluents.

The seepage of oil and chemicals into the ground at refineries with the resulting contamination is probably unavoidable. Thus when the used oil refinery Pintsch moved its facility the Berlin Senat had to have 140,000 cubic meters of earth hauled away. It cost more than DM 10 million to clean up.

Finally, people living near used oil firms complain about the constant stench. Citizens in Hanau in Hesse complain about the exhaust gases of a Pintsch plant that cause nausea and vomiting.

On the other hand, used oil heaters, which hardly fit into the Interior Ministry's environmental protection policy, are used for heating everywhere in the FRG without complaint.

Of course Bonn as well seems less certain of its environmental argument. Parliamentary Undersecretary Andreas von Schoeler was asked in the Bundestag if used oil heaters should still be forbidden if they pollute the air no more than other heating systems. Schoeler's simple reply: "Yes, that is right."

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CONFINDUSTRIA STUDY ON INDUSTRIAL USE OF COAL

Rome RASSEGNA PETROLIFERA in Italian 22 May 81 pp 425-427

[Text] CONFINDUSTRIA [General Confederation of Italian Industry], continuing with the drafting of reports aimed at presenting its own point of view on the subject of action to be taken in the energy sector, has recently developed a study on the use of coal in industry. The problems and outlooks connected with the use of this primary energy source in the period 1981-1990 have been detailed by the Economic Reports Department, and the principal points of them are presented here. It is recognized that greater use of coal is now a common program in the industrialized countries, for the purpose of diversification of energy sources and geographic origin of them. In general, the consumption of coal is planned mainly for production of thermoelectric energy, while the role--certainly not a marginal one--possible for direct use of coal by the various industries should not be overlooked. The report in question specifies the industrial sectors interested in coal and has estimated their potential level of consumption, in addition to stressing the problems of a technical-financial-legislative character.

Finally, general indications are given regarding the considerable problems relative to scattered siting of the industrial installations and therefore to the aspect of coal transport and storage. Despite the fact that in our country too, and in the light of an especially high oil dependence, a substantial increase in production of electrical energy by means of coal and nuclear power is anticipated, there is a wide range of different possible uses for coal. Such uses--and consumption for them by ENEL [National Electric Power Agency] is not inconsiderable--nevertheless require the working-out of adequate trade, infrastructural and transport policies. Possible industrial consumption for thermal uses is estimated at on the order of 6 million tons in 1985 and 9 million tons in 1990, as against the present 0.7 million, equivalent to about 3.5 million and 5.5 million tons, respectively, of oil saved.

A large part of the substitution for oil may occur by 1985, at which time ENEL will be able to have available to it only the changeover of several existing power plants, while only later will new coal-fired power plants be constructed. The sector most interested in greater use of coal in the short-to-medium term is that of building materials (cement and bricks), in which reconversion of the existing plants will be sufficient. But these plants are located throughout the national territory, which entails the necessity of arriving at joint requirements for that industry and ENEL. In particular, ENEL's decisions for its own supply will constitute a fundamental basis for development and construction of adequate coal port and terminal infrastructures that would not be justified by the demand of the industrial users alone.

Table A--Regional Consumption of Coal in Cement Plants (1,000's of tons)

	1981	1985	1990
Piemonte	280	420	470
Liguria	--	25	25
Lombardia	530	900	950
Veneto	270	450	510
Trentino Alto Adige	--	30	30
Friuli Venezia Giulia	--	80	110
Emilia Romagna	100	280	300
Toscana	80	150	180
Marche	--	80	80
Umbria	70	200	250
Lazio	--	330	360
Abruzzi	30	100	100
Molise	--	30	30
Campania	--	210	240
Puglia	50	190	220
Basilicata	--	70	75
Calabria	--	155	180
Sicily	90	300	350
Sardinia	20	200	240
Totals	1,520	4,200	4,700

Table B--Structure of Energy Consumption in Cement Plants

	1977	1978	1979	$\frac{1978}{1979}$
Fuel oil	71.8%	74.9%	73.2%	- 1.7%
Natural gas	23.7%	19.0%	17.1%	- 1.9%
Coal	4.2%	5.6%	9.6%	+ 4.0%
Other	1.3%	0.5%	0.1%	- 4.0%

Table C--Energy Consumption in Cement Plants in 1979

	Plants running on:					Totals
	Fuel oil	Fuel oil/ methane, other	Fuel oil/ methane	Fuel oil/ methane, coal	Fuel oil/ coal	
North	23	3	8	1	9	44
Center	6	1	8	--	3	18
South	10	2	5	--	1	18
Islands	8	--	1	--	1	10
Total for Italy	47	6	22	1	14	90

Table D--Steam-Coal Needs in the Various Sectors (1,000's of tons)

	<u>1985</u>	<u>1990</u>
Aluminum	800	1,100
Petrochemicals	300	1,100
Steel and automotive	500	1,300
Papermaking	100	300
Other	50	100
Totals	1,750	3,900

Table E--Consumption by Cement Plants in the Hinterlands of the Ports;
Projections for 1981-1985 (1,000's of tons)

	<u>1981</u>	<u>1985</u>
Savona/Genoa	810	1,345
La Spezia/Livorno	80	150
Civitavecchia	--	330
Naples	--	240
Palermo/Porto Empedocle/Catania/Gela	90	300
Vibo Valentia	--	155
Taranto	--	100
Bari/Barletta	50	160
Ancona/Pescara	100	380
Ravenna	100	280
Marghera	270	450
Trieste	--	110
Olbia	20	45
Alghero/Porto Torres	--	100
Porto Vesme/Oristano	--	55
Totals	1,520	4,200

This is true, for example, as regards the initiatives that will have to be taken for rail transport of coal. The time period to which the CONFINDUSTRIA report relates appears to be of short to medium duration, considering that for 1985, one can already be talking about programs to be established now. The totals of the forecasts for coal consumption in the industrial sectors most concerned are (in 1,000's of tons):

	<u>1985</u>	<u>1990</u>
Cement plants	4,200	4,700
Brick works	300	500
Self-producers of electric power	<u>1,700</u>	<u>3,900</u>
Totals	6,250	9,100

It can be noted that even though the cement sector is the primary potential consumer of coal, the self-producers of electric power show the greatest development in the

5-year period. But the cement plants, which are heavy consumers of dense fuel oil, have already been oriented toward coal for some time, as regards the conversion programs projected in 1976. The figures presented take into account only the plants existing in the hinterlands of the Italian ports that have equipment and area sufficient to be able to receive and unload coal economically, and the conversions carried out and those that are at an advanced stage. The details of the estimates by region and by sample years are given in Table A.

The major development of consumption is expected for 1985, with concentration in Lombardia and distribution that practically speaking is widespread. But the changeover of installations is expected to occur substantially in the Center-South, in regions presently characterized by nearly exclusive use of fuel oil. Comparison of all the fuels used, on the basis of caloric equivalency to dense fuel oil (9,800 Kcal/kg), produces the data presented in Table B and to the structure of the cement plants' energy consumption in recent years [as published].

The drop in natural gas, rightly intended for better uses, has been balanced off first by fuel oil and secondly by coal. In 1979 there occurred a further increase in the use of coal at the expense of all the other energy sources. This increase is attributable both to the greater production of cement and to the conversions carried out in the manufacturing plants. In the period examined, production of cement in fact went from the 38.4 million tons of 1977 to 38.3 million in 1978 and 39.3 million in 1979, for a 1979-1978 percentage increase of 2.5. At the same time, the use of coal increased by 4 percent. At the end of 1979, the picture for the cement plants, subdivided by energy source used, was as is shown in Table C.

About 50 percent of them used fuel oil only, while only about 17 percent burned coal, but only along with other fuels. With regard to this situation, CONFINDUSTRIA estimates that by 1985 coal may reach 70 percent of total fuel consumption for some 70 plants. Their geographic distribution is shown on the map below. The use of coal in the cement sector should also be considered from the point of view of disposal of the flying ash produced by thermoelectric power plants.

Cement plants absorb most of the ashes, since they can use them as clinker by means of the technologies that ensure the quality characteristics of the finished product. In future too, the larger quantities of ashes can be put to various uses, analogously to what is done abroad. In addition to the cement sector, the brick sector too is considering the substitution of coal for fuel oil. But the magnitude of consumption should be limited in view of the fact--as emerges from a recent statistical study by ANDIL [expansion unknown] (an association in that sector) of 606 furnaces of associated industries--that the large and medium-size industries still do not burn coal, and more than short testing periods are therefore required. The times forecast, the relative consumption figures, and the changeover percentages are estimated as follows (in 10^3 tons):

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
2	--	5	7	10
Consumption	--	140	200	300

Total consumption of about 500,000 tons can be considered achievable by 1990. Given the characteristics of the coal to be used in the sector (high content of volatile materials and low ash residue), interest on the part of the bigger industries is foreseeable, while at present a changeover by the smaller firms located in the center-north is not suitable, whereas in the south, greater use of natural gas (supplied from Algeria) is probable.

Italian Coal-Fired Cement Plants



Key:

- | | |
|--|----------------------------|
| 1. Already in operation at beginning of 1981 | 3. In operation after 1981 |
| 2. In operation at end of 1981 | 4. Under study |

The third industrial sector interested in coal is that of self-production of electrical energy-steam in the processes for aluminum, paper, steel, etc. The estimation of consumption quantities is largely only indicative, though; they relate to firms' ideal programs and to the first analyses of economic feasibility. With this understood, CONFINDUSTRIA's estimates are presented in Table D.

As regards the cement and brick sectors, the industrial consumption stated is widely distributed around the country, whereas the consumption for self-production is more concentrated in the vicinity of the sea. Therefore, development and maintenance of coal consumption cannot prescind from a rational and efficient system of internal transport, while importation will be almost entirely by sea. This will require the building of terminals that in terms of economic suitability permit the docking of ships of 120,000-160,000 tons. According to various experts, annual movement of at least 10 million tons--a quantity larger than the forecast given for total consump-

tion by industry in 1990--is necessary for acceptable use of a terminal. From this there emerges the necessity of a link with ENEL's programs for coal-fired power-plant construction, the power of which is estimated at 25,000 MW in 1990, with consumption of about 38 million tons (5.5 million in 1980, 10.8 million in 1985).

On the whole, it seems advisable to aim toward a limited number of big terminals, with subsequent coastal transport to other minor ports, which could be the ones presented in Table E, in relation mainly to location of cement plants. According to the draft of the National Energy Plan, consumption of imported coal in Italy is estimated as follows (in millions of tons):

	<u>1985</u>	<u>1990</u>
Steam Coal		
--ENEL	8-9	34-38
--industrial uses	3-5	5-8
--civil uses	0.5	0.5-1
--coal/fuel oil mixes	0.2-0.5	0.5-1
Coke coal	<u>13</u>	<u>13-14</u>
Totals (averages)	26	55

While the consumption of the municipal electric-power firms is not indicated, an estimate is noted that is lower than the levels presented in the CONFINDUSTRIA report. As regards transport, a need for about 20 ships of 50,000-80,000 tons is foreseen for 1985, and 40 ships of 120,000 tons in 1990; they would have to carry to three "coal centers" identified as Gioia Tauro, Alto Tirreno and Alto Adriatico.

In the light of the estimates of the Wocol study on the potential for maritime exportation of steam coal (130-147 million tons in 1985 and 205-247 million in 1990), our country would absorb about 10 percent of world availability in 1985 and 20 percent in 1990, in the case of the maximum consumption forecast. But in order for a changeover to the use of coal in the magnitude estimated to occur, it is necessary, according to CONFINDUSTRIA, for various obstacles to be overcome. Among these are mentioned delays and difficulties in the issuance of the building permits for the transformation work and of permits for the use of coal even with sulfur content of less than 1 percent, the prohibition by law of coal sulfur contents of more than 1.1 percent, and the magnitude of the difficulties of a financial nature connected with the various antipollution infrastructures and arrangements. To overcome such problems, it is proposed to put conversions to coal of plants presently burning fuel oil under the heading of technological adjustments, to distinguish the use of coal for production of cement (which absorbs the various sulfates obtained) from the other uses that are subject to development of combustion and depolluting processes, and to prearrange rapid financial measures to furnish incentives to the use of coal. In this regard CONFINDUSTRIA for the cement plants started up in the 1950's, an investment necessary for prevalent use of coal variable between 500 and 3,000 lire per ton of capacity of the plants [as published]. This level would increase to 6,000-8,000 lire per ton in the case of cement plants built subsequently and predisposed to the use of fuel oil and methane only. In total, for the next 5 years the cement-plant sector only would require an expenditure commitment of about 200 billion lire, with 20 to 25 percent of this amount going for readaptation of plants already designed for coal.

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CSO: 3104/ 308

BRIEFS

LESS ENERGY FOR ETHYLENE--In the Montedipe (Montedison Group) petrochemical plant of Porto Maghera, it will be possible to produce ethylene with less consumption of energy than in the past. In the operating cycle of the cracking plant, there has gone into operation a new apparatus that uses the heat of the fumes from the furnaces (which otherwise would be dispersed uselessly into the atmosphere) to preheat the water of the boilers, whose purpose is to produce high-pressure steam for the turbines that run the cracking plant. The new system reduces the temperature of the fumes from 250°C to about 130°C, transferring the corresponding heat to the boilers' water supply. In this way one obtains an energy recovery of 17,000 tons of fuel oil-equivalent (FOE) per year, and the saving makes it possible to cover in less than a year the costs of the plant modifications. With the addition of the effects of this measure to those already achieved with previous work on the cracking system, overall energy saving is achieved of about 160,000 tons FOE per year, equal to 32 percent of annual consumption, as compared with the plant's startup period--1972, a year when energy cost little in comparison with today. There is another interesting comparison: whereas in 1972 1.45 tons of FOE had to be consumed to obtain 1 ton of ethylene, today, thanks to the new technological measures, fuel consumption is reduced to 0.75 ton FOE. In future it will fall further, to 0.75 ton [as published] FOE; other measures that will make it possible to reach that target are, in fact, under study and designing in Montedipe's research centers. [Text] [Rome RASSEGNA PETROLIFERA in Italian 12 Jun 81 p 503] 11267

CSO: 3104/308

BRIEFS

FAEROES GET DOMESTIC FLIGHTS--The first domestic flights in the history of the Faeroe Islands began on the 14th of this month; there will be a trial period of 3 months. According to the Faeroese paper DIMMALAETTING, the helicopter "Tyrta," leased from Maersk Air, will be used for the flights. The main purpose of the domestic flights is to connect the islands' more remote communities with busier areas and to revitalize the smaller, less frequented rural zones, in addition to the obvious improvement in communications. Up to now, the islands have been linked only by sea. The project is expected to cost about 1.6 million (kronur), one-third of which will be covered by ticket sales and special charter flights. [Text] [Reykjavik MORGUNBLADID in Icelandic 19 Jul 81 p 2] 8743

CSO: 3111/47

BULGARIAN TRADE IMPORTS TO INCREASE

Bonn DIE WELT in German 29 Jun 81 p 9

[Article by Hans-J. Mahnke: "German Firms To Assist Bulgarian Exports"]

[Text] Bonn-German enterprises want to help Bulgaria in its export activities. The president of the FRG Wholesale and Foreign Trade Association (BGA), Hans Hartwig, considers this to be essential if economic relations are to continue their dynamic evolution. During 1980, the FRG has not achieved as high a trade balance surplus with any other East Bloc state as it has with Bulgaria: DM 550 million.

Hartwig considers it preferable to achieve trade parity by increasing Bulgarian exports rather than by diminishing German deliveries. This will constitute the heart of the agenda for discussions among leading German firms, which will be attended also by Ognyan Doinov, president of the Bulgarian Industrial Federation and member of the CP Politburo, who will arrive in Bonn today.

German importers could make greater commitments if they were able to negotiate direct trade agreements for all types of goods without having to go through miscellaneous German-Bulgarian trade commissions located in the FRG. An additional obstacle to greater imports from this agrarian state is caused by the protectionist policies of the European Community. German experts see opportunities for importing Bulgarian wine and brandy, game and fish. In any case, Bulgaria must use 38 percent of its export earnings to service its debts.

During the first 4 months of this year German imports from Bulgaria increased by DM 125 million (23.8 percent) compared with the same period last year.

9273

CSO: 3103/368

WEAKENED ECONOMY FORECAST BY INDUSTRY REPORT

Helsinki HELSINGIN SANOMAT in Finnish 16 Jul 81 p 21

[Article: "Production Growth Stopped; Relander, TKL: 'The Clouds Are Not Yet Black'"]

[Text] The Industrial Confederation's (TKL) second economic forecast this year offers no surprises. Business firms' expectations for the future are in notable agreement. "The feeling that the economic situation is weakening has spread generally to all fields of activity," Pirkko Lammi, the expert who presented the forecast, asserts.

The situation is clearly different in our main branches of industry. The lumber industry was the first to brace itself for an expected recession and, of course, the number of workers engaged in wood processing who expected a recession has not increased at all. So far there have been no signs of a new rise in the economy either.

Improvement of the volume of orders in the metal industry has been persistently anticipated. Production is still increasing and the volume of orders is larger than usual. Differences among firms are really considerable.

The economic expectations of those firms who were polled are now more or less the same as at the end of the year. Thirty-nine percent of those polled believe that the economic situation is weakening, 4 percent that it is improving and the rest are counting on its remaining the same as it was.

Pirkko Lammi of the TKL divides the activity sectors into two groups: The weakest situation prevails in the lumber, chemicals, construction materials and textile industries while there are moderately favorable prospects in the metals, construction, clothing and food industries.

Over the past few years more and more clownish manifestations of the general nature of predictions have been popping up as a means for economic situation forecasters to show off. One of the TKL's traditions is for the managing director to take his rest, caressed by the summer breezes, when it is time to announce the midsummer forecast. Assistant managing director Timo Relander also said that he had racked his brain in his sultry office for an appropriate label for the forecast, namely "getting grayer all the time."

"The Clouds Are Not Black"

"The clouds are not yet black but we are rapidly moving from light gray to gray," Relander depicted the situation on a rainy Wednesday midday.

According to the TKL poll, production seems to have come to a standstill. No growth is expected by the end of the year either, so the growth rate for the whole year will be about 2 percent. Stocks have increased and all branches of industry expect their labor force to be reduced. "Our labor force forecast has been coming true exactly as we predicted," Lammi reminded us.

According to Timo Relander, next year's national budget will be aimed at protecting investments in production in addition to slowing down inflation. He feels that the data on a weakening in profitability and income financing are worrisome.

"Attention to Tariffs Now"

Relander longs for a favorable government tax, payment and tariff policy in the next budget. "At this point in our economic development we can rightfully demand that payment and tariff hikes be invoked in many sectors to restrict a rise in general price and cost levels to a distinctly smaller increment," he asserted.

According to Relander, these demands do not mean any big financial sacrifices but, while implementing them, they would be symptomatically important.

"The real economic advantage that would accrue from this, as a result of the improvement in our ability to compete and the employment situation as well as the slowing down of inflation, would also certainly bring with it a return of lost income to the public sector."

"Ability to Compete Diminishing Rapidly"

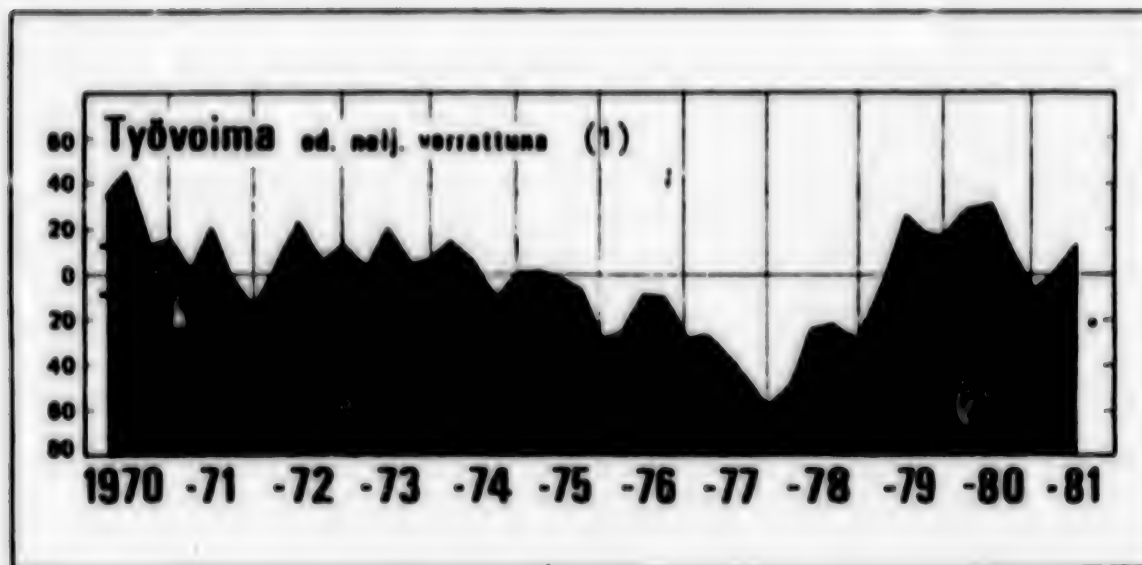
"On the basis of international developments, we may conclude that our ability to compete in terms of prices is diminishing more rapidly than anticipated. While the situation is not yet a dramatic one, it is cause for concern," Relander emphasized.

Relander reminded those who are drafting the income and expenditures budget that short-term compensation for the economic recession alone is not enough.

"It is just as important to contribute to the long-term improvement of the economy's real ability to compete in terms of prices," Relander, the Finance Ministry's former chief forecaster, emphasized.

Relander pressed for economic policy measures for next year. Among other things, he argued that, when the economic growth rate slows down in Finland, growth accelerates elsewhere in the world. "With purposeful measures, we can keep up with the rate of growth of others without our typical economic lagging behind," Relander said.

According to Relander, world economic forecasts are now more confusing than ever before in the memory of man. "I cannot remember a situation in which forecasts in different parts of the world were as contradictory as they are now."



Key:

1. Labor force compared with the last 4 [years].

11,466

CSO: 3107/118

BRIEFS

INCREASED EXPORTS TO USSR--The July issue of "Monthly Economic Statistics" discloses, among other things, that exports to the Soviet Union have increased considerably between January and April of this year. Exports to the USSR for all of last year amounted to 239 million new kronur, whereas between the end of last year and the end of April this year exports totaled 233 million new kronur, compared to just 78 million during the same period last year. January to April imports, however, have decreased somewhat from last year. Thorhallur Arnason, from the Commerce Ministry, said that exports to the Soviet Union have increased because the Soviets have purchased larger amounts of frozen fish and salted herring this year than last year. He said that export volume, as well as trade in general, were up during the initial months of this year from last year. Cargo unloading was also quicker now, he added. As the year continues, the trends are expected to reverse, i.e. imports will exceed exports. [Text] [Reykjavik MORGUNBLADID in Icelandic 19 Jul 81 p 32] 8743

CSO: 3111/47

BERLIN FDP REPRIMANDS FIVE MEMBERS FOR SUPPORTING CDU

Munich SUEDEDEUTSCHE ZEITUNG in German 29 Jun 81 pp 1-2

[Unattributed article: "Berlin FDP Disciplines Dissidents--Land Party Conference Decides on Arbitration Proceedings Against Five Parliamentarians"]

[Text] Berlin, 28 June--During an extraordinary Land Party Conference marked by irritation and occasional turmoil, the Berlin FDP decided to initiate arbitration committee proceedings against the five members of parliament who by their votes on 11 June had paved the way for the establishment of a CDU minority Senat in Berlin. A more drastic proposal, having the specific objective of expelling the five dissidents from the party was defeated. This was to the credit of adroit stage management of the party conference which managed to assuage the delegates' outrage by arranging for three out of the five to lose their status as Bundestag party delegates. Thereupon the delegates did not insist on further sanctions. It is still possible for the individuals in question to lose their party membership as a result of the arbitration proceedings under the provisions of Berlin's FDP statutes. However, warnings or reprimands are more likely to be handed down.

Part of the resolution for initiation of arbitration committee proceedings, arrived at after many hours of agitated discussions and with a majority of 142 votes in favor and 93 against, consisted of sharp criticism of the conduct by FDP Federal Chairman Hans-Dietrich Genscher and General Secretary Guenter Verheugen for having by their tactical maneuvers impaired the intraparty decision making process. Having first unequivocally determined a clear opposition policy in case of defeat for the coalition, they attempted after the elections to have the party assume a policy of toleration and encouraged the five deputies to support Richard von Weizsaecker's formation of a government in violation of party conference guidelines.

The party conference had to be called because following the preceding congress, which had resolved to deny support for a Weizsaecker Senat, six out of the eleven board members had submitted their resignation. In the weekend runoff elections only candidates belonging to the leftwing and centrist party components managed to obtain majorities. The right wing will in future no longer be represented on the Land board. Previously, a proposal to replace Land chairman Prof Juergen Kunze was defeated, 164 to 72. The right wing accused Kunze, considered a leftwinger, of bearing political responsibility for the election defeat and the Berlin FDP's precarious situation.

The following individuals will be subject to arbitration committee proceedings: the chairman of the seven-member FDP parliamentary group in the parliament, Horst Vetter; Delegates Edgar Swinne and Juergen Dittberner as well as former Senators Guido Brunner and Walter Ranch. At the same time they were requested to vote against Weizsaecker's proposed government policy which he is to submit next Thursday and which will be debated on 16 July. However, Vetter, who plans to appeal his removal as a Federal Party Conferee to the FRG Arbitration Court, announced that the majority of the FDP parliamentary group plans to support the guidelines of the government policies. When he stated that only the establishment of a CDU Senat had enabled the party to assume the role of opposition party, there was an occasional uproar. Nevertheless this party conference proceeded with much greater discipline than had the one during which the toleration resolution had been taken.

In the opinion of observers, the initiation of arbitration committee proceedings, probably resulting in mere warnings to the five parliamentary group members, will be the only means of once more establishing a gradual consensus between the opposing wings of the party. Behind the scenes of the party conference the opinion was set forth that there would surely have been mass defections if the five rightwing parliamentary group members' conduct toward the leftwing majority had been tolerated. On the other hand, an explicit request for expulsion from the party, which many delegates no doubt still favor, would result in further driving the parliamentarians concerned into the arms of the CDU. As it is, there may still be a chance of finding common ground on several essential political subjects.

The observers on the other hand recognize Weizsaecker's problems in accommodating the FDP's liberal demands, while at the same time giving in to the evidently increasing pressure from the CDU parliamentary group for a harder line. Meanwhile, the speeches made at the party conference indicated that the Free Democrats would in future make increased efforts, in the interest of their political survival, to take liberal positions in contrast to those of the other parties.

In his party conference speech Land Chairman Kunze stated that Berlin's FDP was "up to its neck in difficult problems." The nucleus of these problems, he said, was the establishment of a conservative government in Berlin brought about by FDP delegates, which had destroyed the FDP voters' confidence. However, he continued, expulsion proceedings would not constitute a solution to those problems. Nor would the solution be found in the FDP's "following the whims of its delegates." Rather, these delegates would have to find their own way back to FDP politics.

In defending himself and his colleagues, parliamentary group chief Vetter said that the request not to tolerate even a CDU-dominated Senat would not only violate their own convictions but would also militate against any political common sense. Nevertheless he fully understood that after the elections the delegates would not be able to abandon the party. He urgently requested his party colleagues to put an end to "letting it all hang out" and to the party-damaging "punishment actions, reproaches, insults and threats." Guido Brunner appealed to the audience to take the high road--"the road to intraparty reconciliation."

CGT VS GOVERNMENT: 'CRITICAL,' 'CONSTRUCTION,' 'INDEPENDENT'

Paris L'HUMANITE in French 26 Jun 81 p 5

[Report on CGT Executive Committee meeting; speech by Georges Seguy]

[Text] On Wednesday, the Executive Committee of the General Confederation of Labor met for the first time since the formation of a government including all factions of the left. At yesterday's meeting, presided over by Henri Krasucki, Michel Warcholak, who the previous evening had presented to CGT officials the report on behalf of the confederal bureau, gave the press an account of the work done. Ernest Deiss and Livio Mascarello also participated in the account.

In a resolution adopted unanimously (except for four abstentions), the Executive Committee hailed "the victory of the left, of the forces of progress, this victory that belongs to the workers, a victory in which the CGT played an essential part." "This is a noteworthy political event," the Executive Committee says, "both nationally and internationally."

During the conference, Michel Warcholak recalled the decisive role played by the CGT in the victory of the left, the energy expended for years by its members to fight the rightist government, including its appeals to vote for Mitterrand on 10 May and for the left on the second ballot of the legislative elections.

The question now at hand is to undertake and bring about change.

"Driven by this determination, the CGT intends to remain the master of its action, anxious to preserve its autonomy of decision and action. It intends to be a cooperative partner but one that is independent of the government.

"The CGT is not accountable for the actions of the government of the new majority. It will evaluate its decisions in an objective, serious manner, without giving up its frankness and always with reference to its own program."

Naturally, the secretary of the CGT declared, we shall not lose sight in our judgments of the economic and social heritage bequeathed by Giscard, or of the means which management has, or of the structures and men remaining in place.

But from the first contacts that we have had with the Mauroy government, we can measure how much the attitude has changed. When they seemed inadequate to us, as in the case of the Interoccupational Minimum Growth Wage, civil service salaries, and so on, we said so. We emphasized the immense significance of victories such as Manufrance, Ladrecht. But dozens of other enterprises are experiencing situations of the same type.

Management has suffered a defeat. Its antisocial attitude has been condemned by universal suffrage. But it will not give in gracefully. The CGT calls on workers to not be content with awaiting the results of national negotiations or governmental decisions. It asks them to intervene firmly in enterprises in the appropriate way.

"Without giving up our prerogatives," Warcholak said, "we must take the new political and social situation into account."

The Executive Committee resolved to call a special meeting of the national confederal committee on 7 and 8 July to debate the new situation and its prospects in greater depth. The 41st Congress of the CGT will be held in June 1982 in Saint-Ouen.

In answer to a question, Ernest Deiss said that contrary to what some newspapers had stated, the CGT did not have financial difficulties that would force it to halt construction of its new headquarters being built near Montreuil.

"We did not await the elections before going to the government," he said, "but we hope that the new government will not put the same obstacles in the way of financing that Mr Barre's did. We are not asking for charity, but what we consider to be our due. The financing of the Palace of Congresses in Nice, which is twice as expensive per square meter as the CGT headquarters, is 80 percent from loans at advantageous interest rates from the Deposit Fund. For us, loans from that same Fund are limited to 7 percent. We are asking for equal treatment." (....)

Georges Seguy: Neither Opposition Nor Unconditional Support

Georges Seguy, secretary general of the CGT, spoke Wednesday during the discussions of the Executive Committee. The text of his speech follows:

"I believe that we must measure the national and international scope of the new situation deriving from 10 May and in particular, from the establishment of the second Mauroy government of Francois Mitterrand's 7-year term. The establishment of that government creates another new situation, a situation that corresponds to what the CGT wanted, to its reasons for speaking out at all times and with particular insistence recently, it is true, because we deemed it necessary. It is a position related to the attitude we have always had concerning the Union of the Left and, within the framework of the new presidential majority, to the composition of the government of France.

"With the decision made yesterday to include four communist ministers in the government, we therefore have before us a political event of very great importance as a result of the fact that for the first time in 34 years, representatives of a party that had previously been excluded from everything, will participate fully in the management of affairs of state, of government.

"Consequently, whatever the historic conditions under which that event came about, the postelection conditions in which it occurs, beyond the very tactical considerations that undoubtedly facilitated the conclusion of the agreement between the two parties, I believe that the event expresses above all the profound, common will of the people for change. Basically, that is it, I believe. Even if that will is not the result of adequate awareness on the part of all those included in this movement of the economic means needed to bring about the change, it is there, it

exists. Is that vast trend, that vast movement which rid France of the government of the right, which created the situation in which we find ourselves."

Formidable Blow to Anticommunism

After noting international reaction and particularly that of the European governments, Seguy continued: "This will not fail to have an effect on the problems facing us within the international, and particularly European, trade union movement. Now, indeed, could trade union members of ETUC [European Trade Union Confederation], which heretofore have designated the CGT as the 'black sheep' of the European trade union movement, reproaching it above all for its relations with the French Communist Party, continue to condemn, through the CGT, a party allied with the Socialist Party in the exercise of power? Taking the realistic position of Schmidt into account, the question is in fact one of knowing whether the trade unionists involved will be 'more Catholic than the Pope.'"

"I believe that what happened yesterday deals a formidable blow to anticommunism on the national, European and international level. We have always said that anticommunism was a serious, if not the principal, factor dividing workers and the working class. If it is true that yesterday's event hurts anticommunism, then it follows that the conditions of unity, of the struggle, are modified in the right direction.

"Whatever the case, already at the level of the management of affairs of state, even if not everything is perfect -- I can understand why there may still be comrades who express doubts or fears about the future -- that is how the situation is in the immediate future. The rest does not only depend on the will of men; it depends above all on the mass movement. And I believe that in such a context, it is the CGT that would normally be in the best position, deriving the most advantages for workers and for its own reinforcement, as Joseph Jacquet has just explained, provided that what is necessary is done."

Evaluating the Situation

"We shall not materialize these prospects unless we properly evaluate both the extent and limits of our possibilities: the extent, considering the new ratio of forces that is heavily in favor of the workers and the prospects of settling many problems through negotiations with the representatives of the government, but also those of a management which emerges from the test weakened and more vulnerable to pressure, to trade union action, including strikes, which there can be no question of renouncing; and the limits, not only because of the objective elements of the national and international economic situation, but also to the extent which the government's policy fits strictly into the framework of the options of Francois Mitterrand as he defined them during the presidential campaign.

"The agreement of the parties is unambiguous on this point. We note that it is an economic and social policy that corresponds only very partially to what is recommended by the CGT's program of action for responding to social needs, eliminating unemployment, halting inflation and bringing the country out of the crisis.

"This means that if the means that exist within Mitterrand's framework of options are not adequate to meet social needs, eliminate unemployment, halt inflation and

bring the country out of the crisis, we must not harbor the illusion that within a short amount of time, everything will be resolved, there will be no more inflation, and that we shall speak about crisis only with respect to our neighbors.

"But we are facing an important question.

"We can certainly lament the fact that our arguments and solutions were not approved and ratified by 10, 15 or 20 million voters -- I am speaking for the CGT, although we did not have a candidate in the presidential race or the legislative elections -- but we would have liked for the ideas and proposals that we present to workers and public opinion to be better received in much higher numbers.

"Having said this much, no one can reproach us for not having done everything in our power to see that the mass of workers understands us, approves of us and supports us. Rather, we are criticized for having done too much. I believe that we have absolutely nothing to regret. It was our duty, our role as trade unionists, to act in that way."

Significant Progress

"However, we must note that the voting is done and the situation is what it is. We must act without giving up any of our objectives, continuing to do our best so that they will be taken up by the workers in order to go as far as possible along the path of social progress and democratic reform. We must see whether or not, within the context of the policies of this government -- such as they have been drafted by the common agreement of the political groups making up the government -- we can make significant social progress and progressive reforms.

"I believe one can answer affirmatively.

"We can move forward even if we cannot go as far as we would have wished. That is why it is necessary for the entire CGT, all its organizations and all its members, to be in tune with the times.

"This implies no wrenching revision, especially of our principles, our orientation, our strategy, but it does mean a serious updating of our activity everywhere where our action, especially action for demands, is needed, based on the new conditions in which our responsibilities are exercised.

"What is the reason for all of this?

"In order to bring the maximum number of workers into the vast popular movement in a conscious and responsible manner, and not only the unorganized workers, but trade union members and members of other organizations that we have never excluded, contrary to certain criticisms sometimes addressed to us.

"In many cases, the attitude of their leaders has prevented and still prevents any communication from being established, but in other cases -- and new situation is favorable for this -- we have the possibility of bringing these workers into the movement needed to achieve change."

Preserving Our Free Determination

"In this spirit, I also agree that we must 'listen to the workers.' We shall never listen to them sufficiently, as the 40th Confederal Congress stated, but this is not stated in an idealistic manner, not in order to put the CGT behind just any trend created by our adversaries. We must listen to the workers in order to learn what they have in their heads so as to refine our arguments, convince them to move in the direction of the struggle we recommend, for there is no other way today to make the situation evolve and bring about change.

"Vis-a-vis the government, our attitude is positive, constructive, and whenever possible, we hope that it will be cooperative, if I may put it that way.

"But, as an article in LE FIGARO today claims, it cannot be founded on respect for 'governmental solidarity.' We are not, we do not have to be and will not be the signers, as a trade union organization, of a text like that subscribed to by the two leftist parties that are to govern together. We do not claim to participate in the government as an organization. We intend to be lucid and responsible social partners, jealous of our independence and autonomy of action. There can be no question for us of allowing ourselves to be dragged along in any process that would integrate trade unionism into the government machinery. Our behavior will consist neither of opposition nor of unconditional support.

"We intend to preserve our free determination, our freedom to evaluate and even criticize when we deem it necessary. In a way, we intend to be a force offering proposals, carry decisive weight when it is a question of tipping the balance in the right direction or play the role of a counterbalance when that is what is called for.

"We shall not be dissidents a priori and concerning everything, but we shall be dissidents when it is necessary and when we are, it is a well-known fact that it is not in a merely platonic way!

"One last consideration: Above all, I believe we must not lose sight of the fact that neither the date of 10 May nor that of 23 June put an end to the division of society into social classes with opposing interests.

"Therefore, these events did not put an end to the class struggle, I would even say that to a certain extent, such a situation is favorable to the reemergence in force of reformism and the spirit of class cooperation. Now then, under such circumstances, we naturally intend to be positive and constructive and move ahead, but while strengthening in our country that class trade unionism which we alone can truly, authentically represent in France. That is also what we think about when we plan in what revolutionary way our trade union action must be carried out under the existing conditions."

11,464

C\$0: 3100/852

PCF DISSIDENT ADLER ON PROBLEMS, PARTY FUTURE

Paris TRIBUNE SOCIALISTE in French Jul-Aug 81 pp 12-13

[Interview with Alexandre Adler: 30, assistant in contemporary history at Paris VIII, alumnus of Advanced Teacher Training School, member of the PCF from 1969 to 1980, one of the authors of "L'URSS et Nous" [The USSR and Us] (1978), resigned from the party in February 1980 following the approval of the invasion of Afghanistan by the PCF leadership, in collaboration with Jean Rony, published (Editions Mazarine) "L'Internationale et le Genre Humain" [The International and the Human Race], a criticism of the PCF's foreign policy and a defense of Eurocommunism, in September 1980. One of the leaders of the Manifesto Movement since 26 February 1981, Adler answers Victor Leduc's questions.]

[Text] [Question] You are participating in the Communist Manifesto Movement, which brings together former communists and current members of the PCF. Could you tell us the reasons for your move?

[Answer] Our action is part of an overall movement that has been developing for a long time. That is why one finds among the founders comrades such as Jean Chaintron, Maurice Kriegel-Valrimont, Roger Pannequin, Andre Pierard, Jean-Pierre Vigier and Lise London, who have been -- most of them with you -- in all the battles aimed at "de-Stalinizing" the PC. At the same time, they have been joined by a large number of comrades whose political experience is that of the last 10 years marked by the Joint Program.

In the text of the Manifesto published on 26 February 1981 in LE MONDE, we set forth a number of principles common to us: the need for united support for the communist movement; the need to respect trade union independence and the independence of mass movements; independence from the Soviet Union and nonalignment; far-reaching democratization of the PCF and reparation of the damage done for decades. Our movement is not the only organizer, but one of the expressions of a much broader movement that began following the 1978 elections with the failure of the great debate on the causes of the election failure.

[Question] In your opinion, what are the roots of the crisis in the PCF?

[Answer] There are immediate causes which have to do with the election and militant failure of the PCF in the last 3 years. But that failure is due to reasons that go back a long ways. The PCF has two souls.

On the one hand, the PCF has been, especially since the Popular Front, the most advanced wing of an organized workers movement whose action is aimed at a positive restructuring of the republican state -- that is, complete execution of the Jaure proposals which were, as Madeleine Reberlioux has shown, the overall democratization of French society based on the rise of the organized working class.

The other aspect is a movement linked to the communist international and the plan for a worldwide revolution and which, in France, is based on a vital, basically worker-oriented anarchistic trade unionism.

This contradiction has never been settled in the course of the history of the PCF and a certain number of defeats, such as those in 1947 and 1958, have undoubtedly helped even more than the very real meddling of the USSR to delay the deadlines. Nevertheless, with all kind of tactical caution and within very narrow limits, Waldeck-Rochet tried to imbue the PC masses with the first concept, but he succeeded only partially. The 1970's permitted real growth of the influence of the PC, but without ever solving anything. As soon as the problems became acute in 1978, the battle resumed with stakes that were twice as high and very rapidly, the enlightened despotism of the leadership became untenable. Since the latest phase (1980 and 1981), summit compromises have no longer been possible. There has been a radicalization of positions on both sides. Within the permanent structure itself, many cadres have been purged. The Fizbin case is the most exemplary. Within the CGT [General Confederation of Labor], an offensive organized by Henri Krasucki has sought to systematically destroy the accomplishments of the polic'es of the 40th Congress.

Surrealistic Language

[Question] At all levels of the PC, what have been the reactions to the different phases of the recent evolution of the PC: the Marchais campaign and the 26 April defeat, the sudden shift on the second ballot of the presidential election, the new defeat in the legislative elections, and finally, the political capitulation that had to be consummated in order to ensure the entry of communist ministers into the government?

[Answer] With regard to the masses influenced by the PC, there is first of all confusion and disapproval of the Marchais campaign, including the brazen election-oriented maneuvers such as the campaign on immigrants and drugs, which had only a very poor response among communist voters. It would appear that the latter mainly made up their minds based on the policy of unity and that they punished a party that claimed to equate socialists and the Giscardian government. The leadership's retraction right after the first ballot, which was not accompanied by any questioning, could not mend the enormous breach.

Today the confusion has not ceased; far from it. Among active members, one must note a considerable drain of cadres since 1978. Many of them have joined different opposition movements. Those who remained at their posts have had to accept, whether they like it or not, an unconditional antisocialism and pro-Sovietism. Since the presidential election, they hear a "surrealistic" language that they follow all the less because they have attempted to rationalize the line followed for 2 years. Many cannot willingly accept the entry of communist ministers into the government.

In the leadership, finally, the election failure -- which is much more serious than the one suffered during the period of unity -- directly points to the supporters of the currency policy, first of all, Gaston Plissonnier, Roland Leroy, Claude Poperen and Henri Krasucki, who in different ways waged the antisocialist offensive. Marchais was but the passive, opportunistic expression of ratios of strength the understanding of which seems to have been beyond him (think of Hua Kuo Feng, for example).

It comes down to knowing whether, as is usual, the esprit de corps would win out over existing divergencies and make it possible to stifle discussion under phrases of compromise and shakeups of personnel or whether, this time, the seriousness of the disarray among rank-and-file communists as well as among party cadres will force the problems out in the open and bring up the question of a changing of the guard.

The rapid evolution of the situation in Poland and the USSR further accentuates the inextricable nature of the conflict shaping up.

The move of Henri Fizbin, who is publishing an open bulletin, also constitutes a break in customary practices. You will remember that previous attempts such as L'ETINCELLE had to remain clandestine in order to avoid immediate expulsion. Having said this much, without excluding any of the importance of the upheavals, including in the leadership of the Communist Party, I believe that it is indispensable to carry out action and reflection independently of the Communist Party as it now exists. That is what we are trying to do with the Communist Manifesto. This reflection and this action concern absolutely everyone who shares our ideas with respect to the necessary renewal of the workers movement.

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STRENGTHENING OF RULING COALITION ADVOCATED

Madrid EL SOCIALISTA in Spanish 1-7 Jul 81 pp 14-15

[Article by Felix Santos: "Instability of the UCD"]

[Text] There is a belief shared by the most responsible observers that until the holding of the court-martial because of the coup of 23 February 1981 the defense of democracy lies with the strengthening of the executive power. Only a strong government will be able to face that critical moment with a steady hand, considered the most touchy situation which Spain will experience in the coming months. And paradoxically it happens that while the opposition, especially the PSOE [Spanish Socialist Workers Party], is backing Leopoldo Calvo Sotelo and effectively cooperating to stabilize and strengthen him, the same cannot be said of the government party itself which projects instability over the administration.

In politics as in other dimensions of life there are situations which one does not really start to remedy unless they reach a notable level of deterioration which starts to make them unbearable. This phenomenon could suggest that in the UCD [Democratic Center Union], where every two out of three are upset, especially in the parliamentary group, they should at this time be on the verge of curing their ills.

The summer could be an appropriate season, for the second consecutive year, for the UCD to indulge in reflection and its internal restructuring. But this year either the revamping of the government party is to be more thorough or the UCD's crisis and that of the right are rushing irreversibly, to the shock and alarm of any democrat.

The reason is that the inconsistencies and destructuring of the UCD cannot occur under worse circumstances than the present ones. The truth is that the crisis of the government party has originated earlier, picked up momentum in the course of 1980, and did not come to a halt either with the resignation of Adolfo Suarez, with the holding of the congress in Palma de Majorca, or with the coup-oriented attack of 23 February 1981. The crisis continues. And even qualified members of the UCD executive estimate that at the general elections of 1983 the UCD will lose at least 30 deputies and will see itself compelled under the most favorable scenarios to rule in coalition with the only political

party on the rise--the PSOE. Thus, then, it appears that we are facing the crumbling of the hegemony of the right.

But this scenario, which under normal circumstances could represent an attractive prospect for the Socialists, is an event of concern under the present conditions. Because between now and 1983 difficult times will have to be faced--the problem of the court-martials is perhaps the most touchy--and as Felipe Gonzalez has repeated on numerous occasions, it is no longer a matter, as things stand, of winning the elections in 1983 but rather of getting to that point and holding them with democratic normalcy. It would be dramatic if the UCD were to collapse before that date.

Confused Debate

What happens or does not happen in the government party is already a national question, a matter which spills beyond the limits of one party and affects others. The internal divisions of the UCD provoked numerous tensions last week, especially in the parliamentary group of the congress. The spectacular voting on the divorce law and on the new regulation of the congress were occasions for a "leak of votes" and "absences" to occur which projected the image of a party without a head and going adrift.

For the time being the debate and diagnostics cannot be more confused. Some must forget as soon as possible Rodriguez Sahagun and Calvo Ortega as figures heading the party apparatus, and it is the head of government, Leopoldo Calvo Sotelo, who must latch onto it and illuminate it as Adolfo Suarez did in his day. Others ask for the holding of a special congress to clarify the situation. The Christian democrats, even though not all of them, favor shooting for a grand coalition with the CD [Democratic Coalition]. The liberal Mergio proposed that the existing acronyms be replaced by different ones such as UPD [Union for Democracy]. Others believe that it is necessary to strengthen the traditional line known as that of the "center-center," extending it at any rate to "expanded center." In any case, both appear to agree in considering this summer the definitive time for the reorganization of the UCD and the Spanish right and for determining what it should be and what it should do.

The Christian democratic goals of aligning the "grand right" with Osorio and Fraga have no future whatever. Even the person who until recently used to be the head of the Christian democrats, Landelino Lavilla, has lately distanced himself from the agitated acts and proposals of Oscar Alzaga (who has reached the point of calling for the resignation of Fernandez Ordonez) and Miguel Herrero de Minon. The latter appears to have his weeks numbered as head of the UCD's parliamentary group. New elections are planned for the various organs of the parliamentary group at the start of the next parliamentary session and the most influential centrists are discussing how to come up with a candidate who is more of an integrationist in his approach and is less given to conflict.

The pact with the Democratic Coalition or with the Popular Alliance has been rejected by the UCD executive and expressly by Calvo Sotelo himself. He has recently talked of a "reinforced" or "modernized" center. UCD sectors consider

that the bases of the Popular Alliance are questionably democratic and that this makes a merger or coalition impossible. The Suarez followers of the UCD, who dominate the party apparatus, favor strengthening the UCD and opening its doors to new members of the ilk of Antonio Garrigues, steering clear of other adventures in the conviction that it is very difficult and complex to manage to have a new acronym take root among the electorate.

That Calvo Sotelo should become involved in the matter is beyond doubt. In the provincial assemblies and elections of the UCD, held in the past few days, it was ascertained that Calvo Sotelo, backed by Martin Villa, is struggling with Adolfo Suarez for the political and organizational control of the party. In any case, an understanding between the two to settle the UCD impasse seems to be an essential factor. For the rest and even though some sectors of the party hope to see Calvo Sotelo take the latter's reins and assume its presidency, he does not seem to be in favor of it. Obviously, the risk of "getting burned" in such circumstances is very great.

Whatever the course taken by the intra-UCD disputes, the important thing is that these small skirmishes not make the participants lose sight of the fundamental struggle to defend this democracy which is so brittle. If in the face of the enemies of democracy the various UCD sectors are unable to become united, at least during the most touchy moments, in order to strengthen the government, their responsibility will be harshly judged by the people and by history.

2662

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RIGHTIST NEWSPAPER ALARMED BY COMMUNISTS IN FRENCH CABINET

Madrid EL ALCAZAR in Spanish 25 Jun 81 p 8

[Article by Ismael Medina: "From Centrism to Communism Passing Through Socialism"]

[Text] The electoral results did not impose on President Francois Mitterrand any obligation, either political or ethical, regarding the inclusion of communists in his government. However, four communists have been placed in the cabinet with ministerial portfolios that are not to be taken lightly such as those for administrative reform--including that of the civil service--transport, health, and professional training. The entry of the communists into the French Government is the inexorable consequence of an ideological compromise and of a strategic pact preceding the elections, having more priority than Mitterrand himself and with a certain character of permanence. Today, as yesterday, as always, communism follows on the heels of socialism as surely as the bucket follows the rope into the well. This is an irreversible constant of nature.

With a major historic dimension it is possible to establish the following political axiom: The center leads to socialism and socialism leads to communism. This inexorable process has failed to materialize only when, before the imminence of communist tyranny, specific political or military forces barred its path by using expeditious means, at times assisted by the latest constitutional provisions and at other times not. There is relevant documentary evidence of all this in the modern history of many nations, some of them subjugated by Marxist totalitarianism and others freed from slavery on time, in some cases through the alternative of authoritarian systems and in the rest through the establishment of national democracies enjoying authority.

A glance at the political panorama of the world which is still not communist demonstrates that the process toward Marxization was checked, at least temporarily, by those nations in which, facing the socialist option, there existed a party or movement of opinion of rigorous national and conservative wholeness, which does not bar a valid and even advanced response to social problems. On the contrary, the slide toward social-communism has become accentuated in those other countries where the national and conservative alternative was supplanted by a center-oriented option, both in the version of the center right and in that of the center left or progressive center. The Giscardist center has consecrated the triumph--without cost--of Social-communism

in France. The shameful centrism into which Christian democracy disintegrated some time ago has encouraged, in Italy, a mortal political instability from which socialism benefited, without real serious harm to communism. An identical phenomenon can be seen in Greece where the toppling of the center and the triumph of socialism are taken for granted. The same alternative is beginning to take shape in Portugal despite the hopes fanned by the electoral success of the centrist alliance, subsequently negated by the victory of Eanes after the extremely timely assassination of Sa Carneiro.

The recent parliamentary scandals in Spain also confirm the validity of the axiom. The compromise has transformed it into a seemingly conservative and really leftist centrism. The UCD [Democratic Center Union] has followed the policy that suited the Marxist parties. It happened that some sectors of the UCD, victims of their democratic infantilism, fell into the dialectical pitfall whose ideological bases of Social-communism it was necessary to adopt in order to win the favor of the working class electorate. However, reality seems to have opened the eyes, admittedly belatedly, of some deputies and senators of the UCD even though they have not so far found it possible to escape from the anti-Franco syndrome in which they were placed perversely at the cost of their insufferable ingenuousness or their great political stupidity. The same cannot be said of those who, earlier and now, are in charge of the UCD in the government and the party's executive organs. All of them have assumed or consented with full awareness to police tactics characteristic of the most topical and consequently pro-Marxist radicalism. They are letting Social-communism win the battle without any effort on the part of the PSOE [Spanish Socialist Workers Party] and the PCE [Spanish Communist Party]. France will demonstrate to us how difficult it will be for Francois Mitterrand to go further, in formal terms, than the UCD in Spain. Adolfo Suarez and Leopoldo Calvo-Sotelo y Bustelo (perhaps it would be more appropriate to call him Leopoldo C-S Bustelo, in terms of political approximation and even metaphorically to pinpoint his role of greasing the works for Social-communism) have gone much farther than Valery Giscard d'Estaing in the practice of destructive centrism. They have far surpassed the sycophantic counsellor of the Spanish compromise.

If general elections were to be held in Spain now, socialism would secure a triumph similar to that in France and that foreseeable in the imminent Greek elections. And not precisely because of the socialists' credit but rather because of the indifference of the centrist electorate which feels betrayed equally by the UCD alternative as by the similarly ambiguous CD [Democratic Coalition]. When one studies the percentages which in each electoral district gave the victory to the Socialists in France, one immediately discovers that the triumph did not originate, except in rare cases, from the active voters but rather from abstentions. Frustration, disappointment, and disgust also began to have an effect on the democratic spirit of the French people. Some preferred to vote for an unequivocal socialism instead of a surreptitious centrist radicalism. But the majority of the disappointed electorate have given the cold shoulder to the system and committed hara-kiri. According to what can be learned from public opinion polls, the proclivity toward political suicide through abstention is much greater in Spain, reaching poll levels of between 50 and 60 percent. Social-communism would win the elections with a

total percentage slightly higher than 50 percent of the ballots cast, that is, barely a third of the electoral roll. Still, strictly speaking, what is the importance of the lack of democratic representations? What is important is acquiring power, whatever the cost, and manipulating power in any way in order not to relinquish it later as happened in Poland, East Germany, Romania, Hungary, and elsewhere. The entire present Spanish parliament effectively represents barely a little more than 50 percent of the electorate. And the aggregate votes of the autonomous parliaments of the Basque and Catalan nationalities do not represent even half of the electorate. When democracy is no longer a conviction but becomes a despotic use of power, any assumption is valid and the pitfalls are built in with insuperable disruption.

Despite everything, immediate general elections are not foreseeable. The center must consummate its deceit up to its final consequences. The center has promised to destroy any possibilities of halting the advent of social communism to power and will abide by that promise. The most probable thing is that the calculated provocations of the radical socialist sector of the UCD will fulfill its goal of forcing a Christian democratic split, indispensable to justify the party executive's realignment and the formation of a coalition government. Only if the socialist have direct means available to manipulate the ballots will elections be held unless the [Socialist] International should direct differently because of strategic needs in the world conflict. For the time being the coalition government continues and at the proper time this will lead to the rightist dissidence of the UCD up to the time of the crushing of the Popular Alliance.

The muted aspects of the public opinion polls and the direct experience of any independent observer demonstrate that there now exists in Spain a large majority of those who feel mocked, deceived, swindled, and despairing, even among those who innocently voted to the left. This large majority would be ready to follow men without blemish, honest individuals, faultless leaders without an earlier partisan record who may call for an attractive plan of national reconstruction and regeneration in every field. Of course, this also includes the social field. And this is precisely what the party's elites are trying to prevent without their being able to save any party leader in office now. Neither would it be honest to exclude from this necessary and painful accusation these other centers of real power, especially economic power, much more sensitive to the coercions and threats of the party executive's tyranny than lucid planning to check the national tragedy. It has been said many times and rightly so that money does not have a soul. Perhaps because they lack one there exists among the moneyed people sudden cowardice when it comes to a realistic glimpse of the future. The economic right also reiterated its suicidal defects of other occasions and plays the game of the center, preferring to hide its head in the sand and to ignore the fact that behind the center is socialism and that socialism leads to communism.

There was an instant when the European shore of the Mediterranean appeared to lean toward national democratic and authoritative solutions susceptible to isolate the French malady and to reduce it to something inconsequential thanks to the European center's conservative inclinations until it could consolidate a homogeneous NATO, one prepared to stake all, politically and militarily, in the

face of the great Marxist threat. The tables have been turned in a very few months and it is the European center's conservative leanings which can now be isolated and negated. For the time being the European shore of the Mediterranean is rapidly acquiring a reddish tint. And this is not so by virtue of the majority will of the peoples but rather as a consequence of three overlapping factors: The sickening passivity of those defrauded by democracy, the great treason of centrism, and the extensive subordination of most of the party's executive structures to the discipline of freemasonry. Spain is no exception and it is advisable to take this into account.

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WEAPONS TO IMPROVE AS BRITISH TROOPS DECREASE

Bonn DIE WELT in German 27-28 Jun 81 p 3

[Article by Ruediger Moniac: "Army of the Rhine--Fewer Soldiers, Better Weapons"]

[Text] Bonn's reaction to the proposed curtailment of British armed forces was calm. Government spokesman Kurt Becker declined comment on reductions in naval strength "since they are of no direct concern to Central Europe."

According to Becker, the FRG government takes cognizance of the proposed changes in the British Army of the Rhine and welcomes London's intention of maintaining the combat effectiveness of these Germany-based units. He denied knowledge of whether German experts had examined British intentions in detail to date. Added the government spokesman: "For the time being, we believe what Great Britain tells us."

According to reports from Britain, London plans to reduce the Army of the Rhine by 2,500 to a total of 55,000 men over the next 5 years. This will be achieved by relocating a division staff to British soil and beyond that by reducing British command staffs in Moenchengladbach by 20 percent. However, there will be no change in the Germany-based combat units of the BAOR. They will merely have a new command structure. Until now, eight BAOR brigades have been under the command of 4 division staffs. In future, whenever a division staff is relocated, the two division headquarters, located near the FRG-GDR border, will have three combat brigades each. The third division staff will then be in charge of only the two remaining brigades. Its third brigade will be stationed in full strength in Great Britain and will be ready for deployment at all times. In times of political tension it may be transported to Germany only on orders of the London government. Beyond that, the relocated division staff will maintain a 50-man detachment for planning and training purposes on German soil.

Concomitantly with the Army of the Rhine's personnel reduction there is to be an upgrading of weapons quality and an increase of war material storage in Germany. There are plans for equipping four tank regiments with the new Challenger vehicle. The other four tank regiments, still equipped with the Chieftain, expect these older models to be equipped with improved engines and a modernized fire control system. In addition, Army of the Rhine units will receive new antitank weapons, namely the Milan missile which is in use also by the German Army and an additional lightweight missile which can be carried and launched by individual soldiers. There are to be improvements in flying antitank systems as well. Lynx helicopters will be equipped with TOW rockets. Finally, the Army of the Rhine will receive new Chinook helicopters and improved antiaircraft weapons. Plans call for equipping four units (batteries) with antiaircraft tanks and Rapier missiles.

Including the reserve units stationed in Great Britain, the Army of the Rhine is to have a total manpower of 86,000 men. According to British statements, this constitutes an increase of 16,000 men in additional reserve forces.

This reorganization will be phased in over a period of 5 years. It is emphatically stated that the FRG should not mistake this to be a "crash action." Great Britain is firmly committed to the principle of forward defense. The new British White Paper on Defense states that forward defense in Germany equals forward defense for Great Britain.

The Army of the Rhine whose troops are under the command of I British Corps, has the mission of defending a 67 kilometer sector of the FRG-GDR border.

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